

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

LINDER OIL COMPANY, A PARTNERSHIP
AI # 48631

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT
LA. R.S. 30:2001, ET SEQ.

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Enforcement Tracking No.
AE-CN-01-0321

SETTLEMENT

The following Settlement is hereby agreed to between Linder Oil Company, A Partnership (“Respondent”) and the Department of Environmental Quality (“DEQ” or “the Department”), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. (“the Act”).

I

Respondent is a Partnership which owns and/or operates multiple facilities located throughout the state of Louisiana (“the Facility or the Facilities”).

II

On March 21, 2003, the Department issued a Consolidated Compliance Order and Notice of Potential Penalty, Enforcement No.AE-CN-01-0312, to Respondent, which was based upon the following findings of fact:

The Respondent owns and/or operates multiple oil and gas facilities located throughout the state of Louisiana as listed in Table 1. These facilities are required to operate under an Air Permit in accordance with LAC 33:III.Chapter 5.

On or about February 18, 2003, a file review of Linder Oil Company, A Partnership was performed to determine the degree of compliance with the Act and Air Quality Regulations.

The following violations were noted during the course of the review:

The Respondent failed to obtain approval from the permitting authority prior to the construction, modification, or operation of each facility listed in **Table 1** which ultimately resulted in an initiation or increase in emissions of air contaminants. Each failure to obtain prior approval from the permitting authority for the construction, modification, and/or operation of the facility is a violation of LAC 33:III.501.C.2 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

Table 1

Facility	Parish
Betty D. Blanchard No. 1 & 4 Production Facility	St. Mary
Davie Meaux Jr. et al No. 2 Production Facility	Vermilion
Karstein No. 1 Production Facility	St. James
Kyle/Peterman Management Corporation Production Facility	Iberia
LaGraize No. 1 Tank Battery	Lafourche
Main Pass 32 SL 14441 No. 1	Plaquemines
Pecan Lake Reseparation Facility	Cameron
Vermilion 28 Production Platform	Vermilion

III

In response to the Consolidated Compliance Order and Notice of Potential Penalty, Respondent did not make a timely request for a hearing.

IV

In addition, Respondent informed and self-disclosed to DEQ that Respondent owned and/or operated additional facilities in the State of Louisiana which were unpermitted as of March 31, 2003.

The Respondent failed to obtain approval from the permitting authority prior to the construction, modification, or operation of each facility listed in **Table 2** which ultimately resulted in an initiation or increase in emissions of air contaminants. Each failure to obtain prior approval from the permitting authority for the construction, modification, and/or operation of the facility is a violation of LAC 33:III.501.C.2 and Sections 2057(A)(1) and 2057(A)(2) of the Act.

Table 2

FACILITY	PARISH	DATE OF OPERATION by LOCAP
Bayou Bouillon Production Facility	Iberville	February 15, 1988
Destec Ventures Facility	Iberville	December 28, 1989
E. H. Peterman Facility	Iberia	February 21, 1993
Williams Jeanerette L&S Facility	St. Martin	December 27, 2000

V

Respondent has made ownership notifications and/or filed for permits or exemptions for all facilities identified in Table 1 and Table 2 above.

VI

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

VII

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$7,500.00) of which Two Hundred Fifty and No/100 Dollars (\$250.00) represents DEQ's enforcement costs, in settlement

of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to DEQ as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VIII

Respondent further agrees that the Department may consider the inspection report(s), the Consolidated Compliance Order and Notice of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the violations alleged herein for the sole purpose of determining Respondent's compliance history.

IX

This agreement shall be considered a final order of the secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

X

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in LSA- R. S. 30:2025(E) of the Act.

XI

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in the following parishes: St. Mary, Vermilion, St. James, Iberia, Lafourche, Plaquemines, Cameron, Iberville, St. Martin. The advertisement, in form, wording, and size approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted a proof-of-publication affidavit to the Department and, as of the date this Settlement is executed on behalf of the Department, more than forty-five (45) days have elapsed since publication of the notice.

XII

Payment is to be made within ten (10) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Penalties are to be made payable to the Department of Environmental Quality and mailed to the attention of Darryl Serio, Office of Management and Finance, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303.

XIII

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XIV

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his/her respective party, and to legally bind such party to its terms and conditions.

LINDER OIL COMPANY, A PARTNERSHIP

BY: G. Miles Biggs, Jr.
(Signature)

G. MILES BIGGS, JR.

(Printed or Typed)

TITLE: CO-MANAGER

THUS DONE AND SIGNED in duplicate original before me this 22nd day of JULY, 20 04, at GRAND, LA.

NOTARY PUBLIC (ID #)

BRIAN E. ADORNO
NOTARY PUBLIC

PARISH OF ORLEANS, STATE OF LOUISIANA

~~MY COMMISSION IS ISSUED FOR LIFE.~~
(Printed or Typed)
BAR # 8351

STATE OF LOUISIANA
Mike D. McDaniel, Ph.D., Secretary
Department of Environmental Quality

BY: Harold Leggett
Harold Leggett, Ph.D., Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 17th day of
December, 20 04, at Baton Rouge, Louisiana.

Christopher A. Ratcliff
NOTARY PUBLIC (ID # 186751)

Christopher A. Ratcliff
(Printed or Typed)

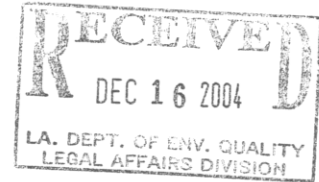
Approved: Harold Leggett
Harold Leggett, Ph.D., Assistant Secretary



CHARLES C. FOTI, JR.
ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
P.O. BOX 94005
BATON ROUGE
70804-9005

December 13, 2004



Mr. Louis E. Buatt, General Counsel
La. Department of Environmental Quality
Legal Affairs Division
P.O. Box 4302
Baton Rouge, LA 70821-4302

Re: AG Review of DEQ Settlement;
Linder Oil Company, A Partnership
AE-CN-01-0312

Dear Mr. Buatt:

Pursuant to the authority granted to me by Art. IV, Sec. 8 of the state constitution and R.S. 30:2050.7(E)(2)(a), I approve the above referenced settlement.

Sincerely,

By: 
CHARLES C. FOTI, JR.
Attorney General

CCF/mlc